



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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September 7, 1999

Jim Crisp, Area Manager
St. George Field Office
Bureau of Land Management
345 Riverside Drive
St. George, Utah 84770

Dear Mr. Crisp:

Re: Post Closure Monitoring Plan, Dakota Mines/USMX of Utah, Inc., Goldstrike Mine,
M/053/005, Washington County, Utah

This letter is sent to advise you of our position regarding continued post-closure monitoring at the Goldstrike Mine. As a result of Dakota Mining Corporation's recent bankruptcy notification (see attached 7/29/99 faxed message), it is now important to establish appropriate procedures and protocol to insure that the necessary monitoring and maintenance of the reclaimed mine site is continued.

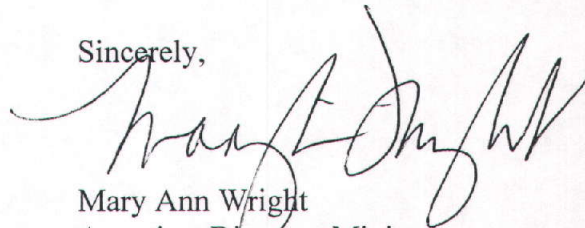
We propose the following:

- 1) Holes in perimeter fence enclosing the mine property will be repaired by our Division one more time, using a portion of the remaining bond forfeiture funds. Continued monitoring and maintenance of the perimeter fence will then become BLM's responsibility.
- 2) The grazing lessee should be formally notified by the BLM that he has one week to get his livestock out of the reclaimed mine site area. If he fails to do so, then the livestock (cattle) will be removed by the BLM and sold at auction. If the lessee continues to allow his livestock to trespass onto the Goldstrike property, then appropriate legal action should be taken to hold the trespasser responsible for all necessary future reseeding and erosion control maintenance caused by the unauthorized grazing on the reclaimed site.
- 3) Dan Slyter has been performing the required post-closure monitoring work at site. The Division will extend the current post-closure monitoring contract for another year (or until the regulatory agencies jointly determine that the contract should be terminated). We will pay Mr. Slyter directly for his monitoring-related expenditures upon receipt of the billing invoices utilizing funds from the remaining Goldstrike bond forfeiture account.

Page 2
Jim Crisp
M/053/005
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If you have questions or concerns with this proposal or have alternate ideas, please contact me at (801) 538-5306, or Wayne Hedberg of the Minerals Reclamation Program at (801) 538-5286. Thank you for your continued cooperation and assistance in working with us to bring about the successful final closure and reclamation of the Goldstrike Mine.

Sincerely,



Mary Ann Wright
Associate Director, Mining

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Attachments

cc: Lowell Braxton, DOGM
Fred Pehrson, DWQ
Dennis Frederick, DWQ
Alan Rabinoff, BLM
Larry Gore, BLM
Doug Jensen, DOGM

m053005.ltr

If you accept what we are proposing, would you please sign and return a copy of this letter to us.

Accepted: Jim Crisp
BLM Area Manager
St. George Field Office

Date: _____